

## STATE OF MICHIGAN



JOHN ENGLER, Governor

## DEPARTMENT OF TREASURY

DOUGLAS B. ROBERTS, State Treasurer

## STATE TAX COMMISSION

4th Floor Treasury Building  
Lansing, Michigan 48922 - Telephone (517) 373-0500

## COMMISSION MEMBERS

THEODORE P. MANSOUR  
LEROY J. NELSON  
ROBERT O. VANDERMARK

TO: All Assessing Officers and Equalization Directors

FROM: Michigan State Tax Commission

SUBJECT: CEMETERY PROPERTY EXEMPTIONS AND TAXABLE BUSINESS PROPERTY

It is the position of the State Tax Commission, based on court rulings, that the following cited cemetery exemptions also exempt the real and personal property necessary for the operation of a cemetery such as maintenance buildings and equipment. Land held by a cemetery that is needed and intended for future use for burial purposes is also exempt.

It is the position of the State Tax Commission that the cited exemptions do not exempt the real and personal property used in activities which are not necessary for the operation of a cemetery, such as manufacture and/or sale of caskets, vaults, monuments, flowers, etc. Depending on the circumstances, the real property used for these activities may be separately assessed; it may be assessed as a building on leased land; or it may be assessed in accordance with the provisions of MCL 211.181. The personal property of the business should be assessed as if it were not located on cemetery land.

Section 7t of the General Property Tax Act, being section 211.7t MCL states that: "Land used exclusively as burial grounds, the rights of burial, and the tombs and monuments in the land, while reserved and in use for that purpose is exempt from taxation under this act."

MCL 128.111 states the following about private burial grounds

"Sec. 1. That it shall be lawful for any person or persons in this state to lay out and survey any tract of land not included within the corporate limits of any city or village which may be owned by such persons or persons, as a private burial ground for the use of their families or descendants for purposes of interment of members of such families and descendants, and for no other purpose, not exceeding in quantity 1 acre of land, any may make a deed of the same to some person or persons to be named therein as trustees, with such provisions for continuing such trusteeship as they shall deem necessary, which said deed shall be acknowledged by such persons making the same, in the same manner as other deeds of land, and shall be recorded in the county where such land shall lie."

MCL 128.112 goes on to state that private burial grounds ". . . shall not be taxed for any purpose . . . "

MCL 456.101 states the following about rural cemetery corporations:

"Sec. 1. That any number of persons not less than 10, who shall be articles of agreement in writing, associate themselves according to the provisions of this act, under any name assumed by them, for the purpose of purchasing land for a cemetery in this state, and for fencing, laying out, improving, maintaining and establishing the same and who shall comply with sections 2 and 3 of this act, shall, with their successors and assigns, constitute a body politic or corporate, under the name assumed by them in their articles of association: Provided, however, That no 2 corporations shall assume the same name."

MCL 456.108 provides the following exemption:

"Sec. 8. All the lands of said corporation enclosed and set apart for cemetery purposes, and all rights of burial therein shall be wholly exempt from taxation of any kind whatsoever."

In a related matter, MCL 456.205 provides the following exemption for cremation companies:

"Sec. 5. All the lands of said corporation enclosed and set apart for crematorium or columbarium purposes, and all the buildings erected thereon, used for such purposes as all rights of inurement therein, shall be wholly exempt from taxation of any kind whatsoever except special assessments for public improvements: Provided, That all stock owned by said stockholders shall be taxed in the manner provided by law."

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DATE: July 17, 1991

TO: All Assessing Officers and County Equalization Directors

FROM: Michigan State Tax Commission

RE: Corrections to the Rates for Package Heating and Cooling, Short Ducts and to the Floor Area/Perimeter Table Found on Page CAL 85.

The following corrections should be made to the rates for package heating and cooling found in Volume II of the 1991 Assessor's Manual.

<u>Page</u>	<u>Name</u>	<u>Incorrect Rate</u>	<u>Correct Rate</u>
Seg. 5, Page 3	Package heating and cooling, short ducts	Col. 1 3.44 Col. 2 4.85 Col. 3 6.83	Col. 1 4.44 Col. 2 5.80 Col. 3 7.43
CAL 11, Box 2	Package A.C.	5.50	6.40
CAL 29, Box 2	Package A.C.	4.90	5.90
CAL 31, Box 2	Package A.C.	5.20	6.20
CAL 57, Box 2	Package A.C.	4.90	5.90
CAL 61, Box 2	Package A.C.	5.20	6.20
CAL 85, Box 2	Package A.C.	5.20	6.20
CAL 87, Box 2	Package A.C.	5.20	6.20

Please also correct the floor area/perimeter table found in Volume II on page CAL 85 and duplicated on the back of this sheet.

# OFFICE BUILDINGS

CAL 85

**REFINEMENTS:** On this page are the means of making major adjustments to the base costs on the previous page. Follow steps 1 thru 5 to attain final costs, adjusted for lump sums, heating and cooling, story height, floor area/perimeter ratio, and locality.

SEE  
BELOW

**1 ELEVATORS:** Buildings with elevators included in the base costs are marked with an asterisk (\*). If none are found, deduct the following from the base costs so marked. For detailed costs, see Section UIP 8.

Class A & B	Sq. Ft.	Class C & D	Sq. Ft.
Excellent .....	\$6.05	Excellent .....	\$2.80
Good .....	4.10	Good .....	1.65
Average .....	2.75	Average .....	1.00
Low cost .....	1.85		

**ELEVATOR STOPS:** For basement or mezzanine elevator stops add \$3,000 to \$3,500 per stop.

Small passenger elevators with simple call system and push button control, four passenger cab, and two or three stops, cost \$26,000 to \$38,000.

**SPRINKLERS:** Apply to sprinkled area.

Sq.Ft.	LOW	AVG.	GOOD	EXCL.
1,000	\$2.15	\$2.65	\$3.35	\$4.15
2,000	1.95	2.40	3.00	3.70
5,000	1.80	2.20	2.70	3.30
10,000	1.65	2.00	2.40	2.90
15,000	1.55	1.85	2.25	2.70
20,000	1.50	1.75	2.10	2.55
30,000	1.40	1.65	2.00	2.35
50,000	1.30	1.50	1.80	2.15
75,000	1.20	1.45	1.70	2.00
100,000	1.15	1.35	1.60	1.90

**BALCONIES:** Exterior balconies generally cost 1/3 to 1/2 of the final base cost per square foot of the building, or they may be computed from the Segregated or Unit-in-Place costs.

## 2 HEATING AND COOLING

These costs are averages of total installed cost of the entire heating or cooling installation including its prorated share of contractor's overhead and profit and architect's fees. If the heating found in the building being assessed is different from that indicated, take the difference between the costs of the two and add to or subtract from the base square foot cost.

HEATING ONLY	Sq. Ft. Costs	HEATING & COOLING	Sq. Ft. Costs
Electric, cable or baseboard ...	\$4.50	Package A.C. (short ductwork)	\$6.20
Electric, wall heaters.....	1.55	Warm & cool air (zoned) .....	9.80
Forced air furnace.....	4.95	Hot & chilled water (zoned) ...	17.25
Hot water .....	6.10	Heat pump system .....	8.70
Space heaters, with			
fan or radiant .....	1.65		
Steam (including boiler) .....	6.60		
(without boiler) .....	5.90		
Ventilation (blowers/ducts) .....	1.30		
Wall or floor furnace .....	1.60		

Small individual heat pumps cost \$830 to \$1,090 per ton of rated capacity.

### COOLING ONLY

Central Refrigeration .....	\$2.15 - \$6.95
Central Evaporative .....	1.60 - 2.75
Package Refrigeration .....	\$990 - \$1,220 per ton capacity
Evaporative Coolers .....	\$145 - \$210 per MCFM capacity

## 3 HEIGHT REFINEMENTS

### STORY HEIGHT MULTIPLIERS

Multiply base cost by following multipliers for any variation in average story height.

Average Wall Height	Square Foot Multiplier
8	.90
9	.93
10	.95
11	.98
12	1.00 (BASE)
13	1.02
14	1.05
15	1.07
16	1.09

## 4

Average Floor Area SF per Story	AVERAGE PERIMETER														Average Floor Area SF per Story
	125	150	200	250	300	400	500	600	700	800	900	1000	1200	1500	
1,000	1.22	1.30	1.46	1.63	---	---	---	---	---	---	---	---	---	---	1,000
3,000	---	---	<del>1.46</del>	1.08	1.13	1.24	1.35	1.46	---	---	---	---	---	---	3,000
5,000	---	---	---	<del>1.08</del>	1.00	1.07	1.13	1.20	1.27	1.33	---	---	---	---	5,000
8,000	---	---	---	---	<del>1.00</del>	.97	1.01	1.05	1.09	1.13	1.17	---	---	---	8,000
10,000	---	---	---	---	---	<del>.97</del>	.97	1.00	1.03	1.07	1.10	1.13	1.20	---	10,000
15,000	---	---	---	---	---	---	.91	.93	.96	.98	1.00	1.02	1.07	---	15,000
20,000	---	---	---	---	---	---	<del>.93</del>	.90	.92	.93	.95	.97	1.00	---	20,000
25,000	---	---	---	---	---	---	---	<del>.90</del>	.89	.91	.92	.93	.96	1.00	25,000
30,000	---	---	---	---	---	---	---	---	.88	.89	.90	.91	.93	.97	30,000
50,000	---	---	---	---	---	---	---	---	---	.85	.86	.87	.88	.90	50,000
80,000	---	---	---	---	---	---	---	---	---	---	---	.84	.85	.86	80,000
100,000	---	---	---	---	---	---	---	---	---	---	---	.83	.84	.85	100,000

CROSS OUT 6 NUMBERS

## 5 USE COUNTY MULTIPLIERS IN MULTIPLIER SECTION.